

4720 South Santa Fe Circle, Suite 6 Englewood, Colorado 80110-6488 303/781-8211 303/781-1167 Fax

May 1, 2003

Fluid Minerals Group Bureau of Land Management Vernal Field Office 170 South 500 East Vernal, Utah 84078

RE: Application for Permit to Drill—Dominion Exploration & Production, Inc. RBU 1-9E, 875' FNL, 870' FEL, NE/4 NE/4 Section 9, T10S, R19E, SLB&M, Uintah County, Utah

Dear Fluid Minerals Group:

On behalf of Dominion Exploration & Production, Inc. (Dominion), Buys & Associates, Inc. respectfully submits the enclosed original and two copies of the *Application for Permit to Drill (APD)* for the above referenced well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan;

Exhibit "F" - Typical BOP and Choke Manifold diagram.

Please accept this letter as Dominion's, written request for confidential treatment of all information contained in and pertaining to this application.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Carla Christian of Dominion at 405-749-5263 if you have any questions or need additional information.

Sincerely,

Don Hamilton
Don Hamilton
Agent for Dominion

cc: Diana Mason, Division of Oil, Gas and Mining Carla Christian, Dominion Marty Buys, Buys & Associates, Inc. RECEIVED

MAY 2 3 2003

DIV. OF OIL, GAS & MINING

FILE COPY

CONFIDENTIAL

Form 3160-3 (December 1990)

(Other instru

SUBMIT IN PLICATE*

Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

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|----|----|---|
| 11 | 63 | |
| | | |

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO

| J 1 | | | | | | | | | | U-03303 | |
|---|------------------------|------------------|------------------------------|-----------|------------------------------|--------------------|---|------------------|--------|--|-----------|
| APPLICATION FOR PERMIT TO DRILL OR DEEPEN | | | | | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A | | | | |
| Ia. TYPE OF WORK | DRILL | ĸ | DEEP | EN | | | | | | 7. UNIT AGREEMENT NAM River Bend Ur | - |
| b. TYPE OF WELL OIL WELL | gas well 🔯 | OTHER | | | SINGLE ZONE | K | MULTIPLE ZONE | | | 8 FARM OR LEASE NAME. RBU 1-9E | |
| 2. NAME OF OPERATOR | | | | | | | | | | 9. API WELL NO. | |
| | | oration & | Production, Inc. | • | | | | | | 43-047-34 | |
| 3. ADDRESS AND TELEF | PHONE NO. | | | | | | | | | 10. FIELD AND POOL, OR V | VILDCAT |
| 14 | 000 Quail Sp | rings Parl | kway, Suite 600, | Oklaho | oma City | , OK | 73134, 405 | -749-6690 | | Natural Buttes | |
| 4 LOCATION OF WELL At surface | (Report location clear | ly and in accord | lance with any State require | ements *) | | | 29.0 | 16283 | 1 | II. SEC.,T.,R.,M., OR BLK. | |
| | 87 | 75' FNL, | 870' FEL 44 2 2 | 41371 | NE/4 N | E/4, (L | ot 5) - 109 | 75/27 | ĺ | Section 9, | |
| At surface 875' FNL, 870' FEL 4424139Y At proposed prod. zone 875' FNL, 870' FEL 4424139Y NE/4 NE/4, (Lot 5) - 109. 78/27 NE/4 NE/4, (Lot 5) | | | | | | T10S, R19E, S | LB&M | | | | |
| 14. DISTANCE IN MILES | | | | ICE* | | | | | | 12. COUNTY OR PARISH | 13. STATE |
| | 10 | 0.25 miles | southwest of Ou | | | | | | | Uintah | Utah |
| 15. DISTANCE FROM PR LOCATION TO NEAR PROPERTY OR LEAS | REST E LINE, FT | | | | F ACRES IN | LEASE | | 17. | то тні | | |
| (Also to nearest drig. ur | | 870' | | | 057.35 | | | | | OR CABLE TOOLS | |
| LOCATION TO NEAREST WELL, DRILLING. COMPLETED, OR | | | | | | | | | | | |
| | | | | | tary APPROX. DATE WORK WILL: | TART. | | | | | |
| 21 ELEVATIONS (Show whether DF,RT,GR,etc.) | | | | | | 22. 7 | AFROX. DATE WORK WILL. | SIAKI | | | |
| 4,952' GR | | | | | October 1, 2003 | | | | | | |
| PROPOSED CASING AND CEMENTING PROGRAM | | | | | | | | | | | |
| SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANT | | | | QUANTII | TY OF CEMENT | | | | | | |
| 17-1/2" | 13-3/8" H-4 | 0 ST&C | 48# | 5 | 500' | | 450 sacks Clas | ss G cement + | 2% Ca | Cl ₂ + 1/4 #/sk. Poly-E-FI | akes |
| 12-1/4" 8-5/8" J-55 LT&C 32# 2,200' 385 sacks Lead and 370 sacks Tai | | | | | ks Tail (| see Drilling Plan) | | | | | |

Bond Information:

7-7/8"

Bond coverage is provided by Travelers Casualty and Surety Company of America, Bond #76S 63050 0330

Other Information:

Drilling Plan and Surface Use Plan are attached.

5-1/2" Mav-80 LT&C | 17#

Dominion requests that this complete application for permit to drill be held confidential.

7,500

A request for exception to spacing (R649-3-2) is hereby requested based on topography since the well is located within 460' of the drilling unit boundary. Dominion Exploration & Production, Inc. is the only owner and operator within 460' of the proposed well.

Federal Approval of this Action is Necessary

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160 sacks Lead and 435 sacks Tail (see Drilling Plan)

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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

| eventer program, it any. | |
|--|---|
| EAgent for Dominion | DATE May 1, 2003 |
| APPROVAL DATE | |
| al or equitable title to those rights in the subject lease which | h would entitle the applicant to conduct operations thereon. |
| BRADLEY G. HILL | DATE 05-28-03 |
| | |
| | APPROVAL DATEal or equitable title to those rights in the subject lease which |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency or the

T10S, R19E, S.L.B.&M.

Elev. Ungraded Ground = 4952'

9

N89'51'W - 31.48 (G.L.O.)

LOT 2

LOT 3

GREEN

LOT 9

S8910'W - 29.73 (G.L.O.)

(C.L.O.)

61.18

SOUTH

LOT 1

RBU #1-9E

LOT 4

RIVER

Well location, RBU #1-9E, located as shown in the NE 1/4 NE 1/4 (LOT 5) of Section 9,

DOMINION EXPLR. & PROD., INC.

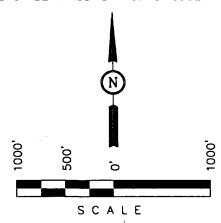
T10S, R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION LOCATED AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY, SAID ELEVATION IS MARKED AS BEING 5251 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF

> REGISTERED LAND SURVEYOR REGISTRATION NO. 161319-

STATE OF UTAH

RECEIVED

1956 Brass Cap 1.3' High, Pile of Stones

MAY 2 3 2003

LEGEND:

DIV. OF OIL, GAS & MINING

= 90° SYMBOL

≈ PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(NAD 83)

39'57'47.19" LATITUDE = (39.963108)

S89"14'46"W - 2642.75' (Meas.)

LONGITUDE = $109^{4}6'54.39''$ (109.781775)

C.C. NE Cor. Sec. 9

of Stones

EAST - 37.76 (G.L.O.)

875°

LOT 5

9

0

LOT 7

1956 Brass Cap 0.4' High, Pile

90"28"

(G.L.O.)

870'

LOT 8

W 1/4 Cor. Sec. 10 1956 Brass Cap

NO174'25"E 17.42' (Meas.)

0.3' High, Pile of Stones

E 1/4 Cor. Sec. 9, 1956

Bross Cop

Flush With 3' High Pile

of Stones

2639.54

W00.23'46"W

1956 Brass Cop

of Stones, Steel

1.3' High, Pile

Post 1.0' West

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

| SCALE 1" = 1000' | DATE SURVEYED: DATE DRAWN: 04-10-03 04-14-03 | | | | |
|--------------------------|--|------------------|--|--|--|
| PARTY K.K. D.R. D.COX | REFERENCES G.L.O. PLAT | | | | |
| WEATHER WARM | FILE DOMINION EXPL | R. & PROD., INC. | | | |

DRILLING PLAN

APPROVAL OF OPERATIONS

Attachment for Permit to Drill

Name of Operator:

Dominion Exploration & Production

Address:

14000 Quail Springs Parkway, Suite 600

Oklahoma City, OK 73134

Well Location:

RBU 1-9E

875' FNL & 870' FEL Section 9-10S-19E Uintah County, UT

1. GEOLOGIC SURFACE FORMATION

Uintah

2. ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

| <u>Formation</u> | <u>Depth</u> |
|-------------------|--------------|
| Green River | 1,303° |
| Wasatach Tongue | 4,213' |
| Uteland Limestone | 4,543° |
| Wasatch | 4,703 |
| Chapita Wells | 5,603 |
| Uteland Buttes | 6,803 |

3. <u>ESTIMATED DEPTHS OF ANTICIPATED WATER. OIL</u>, <u>GAS OR MINERALS</u>

| <u>Formation</u> | <u>Depth</u> | <u>Type</u> |
|-------------------|--------------|-------------|
| Green River | 1,303' | Oil |
| Wasatch Tongue | 4,213' | Oil |
| Uteland Limestone | 4,543' | Oil |
| Wasatch | 4,703° | Gas |
| Chapita Wells | 5,603' | Gas |
| Uteland Buttes | 6,803 | Gas |

4. PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

| Type | Size | Weight | <u>Grade</u> | Conn. | <u>Top</u> | Bottom | <u>Hole</u> |
|--------------|---------|----------|--------------|-------|------------|--------|-------------|
| Surface | 13-3/8" | 48.0 ppf | H-40 | STC | 0, | 500' | 17-½" |
| Intermediate | 8-5/8" | 32.0 ppf | J-55 | LTC | 0, | 2,200° | 12-1/4" |
| Production | 5-1/2" | 17.0 ppf | MAV-80 | LTC | 0, | 7,500° | 7-7/8" |

5. OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

Surface hole: No BOPE will be utilized.

Intermediate hole: To be drilled using a diverter stack with rotating head to divert flow from rig floor.

<u>Production hole</u>: Prior to drilling out the intermediate casing shoe, 3,000 psi or greater BOP equipment will be installed. The pipe rams will be operated at least once per day from intermediate casing to total depth. The blind rams will be tested once per day from intermediate casing to total depth if operations permit.

DRILLING PLAN

APPROVAL OF OPERATIONS

A diagram of the planned BOP equipment for normal drilling operations in this area is attached. As denoted there will be two valves and one check valve on the kill line, two valves on the choke line, and two adjustable chokes on the manifold system. The BOP "stack" will consist of two BOP rams (1 pipe, 1 blind) and one annular type preventer, all rated to a minimum of 3,000 psi working pressure.

The BOP equipment will be pressure tested prior to drilling below the intermediate casing shoe. All test pressures will be maintained for fifteen (15) minutes without any significant pressure decrease. Clear water will be circulated into the BOP stack and lines prior to pressure testing. The following test pressures will be used as a minimum for various equipment items.

| 1. | Annular BOP | 1,500 psi |
|----|---|-----------|
| 2. | Ram type BOP | 3,000 psi |
| 3. | Kill line valves | 3,000 psi |
| 4. | Choke line valves and choke manifold valves | 3,000 psi |
| 5. | Chokes | 3,000 psi |
| 6. | Casing, casinghead & weld | 1,500 psi |
| 7. | Upper kelly cock and safety valve | 3,000 psi |
| 8. | Dart valve | 3,000 psi |

MUD SYSTEMS

- An air or an air/mist system may be used to drill to drill the surface hole until water influx becomes too great.
- KCL mud system will be used to drill well.

| <u>Depths</u> | Mud Weight (ppg) | Mud System |
|-----------------|------------------|---|
| 0' - 500' | 8.4 | Air foam mist, no pressure control |
| 500' - 2,200' | 8.6 | Fresh water, rotating head and diverter |
| 2,200' – 7,500' | 8.6 | Fresh water/2% KCL/KCL mud system |

7. BLOOIE LINE

- An automatic igniter will not be installed on blooie line. The blooie will have a contant ignition source.
- A "target tee" connection will be installed on blooie line for 90° change of directions for abrasion resistance.
- "Target tee" connections will be a minimum of 50' from wellhead.
- The blooie line discharge will be a minimum of 100' from the wellhead.

8. <u>AUXILIARY EQUIPMENT TO BE USED</u>

- Kelly cock
- b. Full opening valve with drill pipe connection will be kept on floor. Valve will be used when the kelly is not in string.

9. TESTING. LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

- A drillstem test in the Wasatch Tongue is possible.
- One electric line wire-log will be run from total depth to intermediate casing.
- The gamma ray will be left on to record from total depth to intermediate casing.
- Other log curves (resistivities, porosity, and caliper) will record from total depth to intermediate casing.
- A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10. ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

- Expected BHP 1,500-2,000 psi (lower than normal pressure gradient).
- No abnormal temperature or pressures are anticipated.
- The formations to be penetrated do not contain known H2S gas.

11. WATER SUPPLY

- No water pipelines will be laid for this well.
- No water well will be drilled for this well.
- Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.
- Water will be hauled from: Water Permit # 43-10447 Section 9, Township 8 South, Range 20 East

DRILLING PLAN

APPROVAL OF OPERATIONS

CEMENT SYSTEMS

Surface Cement:

Drill 17-1/2" hole to 500' and cement 13-3/8" to surface with 450 sks class "C" cement with 2% CaCl₂ and 1/4 #/sk. Poly-E-Flakes (volume includes 40% excess). Top out if necessary with Top Out cement listed below.

Intermediate Casing Cement:

- Drill 12-1/4" hole to 2,200'+, run and cement 8-5/8" to surface.
- Pump 20 bbls lightly weighted water spacer followed by 5 bbls fresh water. Displace with any available water.
- Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.
- Cement to surface not required due to surface casing set deeper than normal.

| | | | | | Hole | Cement | |
|-------------|---------|-----------------|----------------|--------------|---------------|---------------|---------------|
| <u>Type</u> | Sacks 5 | <u>Interval</u> | Density | <u>Yield</u> | <u>Volume</u> | <u>Volume</u> | Excess |
| Lead | 385 | 0'-1,700' | 11.0 ppg | 3.82 CFS | 733 CF | 1,466 CF | 100% |
| Tail | 370 | 1.700'-2.200' | 15.6 ppg | 1.20 CFS | 220 CF | 440 CF | 100% |

Lead Mix:

Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.

Slurry yield:

3.82 cf/sack

Slurry weight:

11.00 #/gal.

Water requirement: 22.95 gal/sack

Compressives @ 130°F: 157 psi after 24 hours

Tail Mix:

Class "G" Cement, 1/4 lb/sk Cellophane Flakes + 2% bwoc Calcium Chloride + 44.3% fresh water.

1 hr. 5 min. @ 90 °F. Pump Time: Compressives (a), 95 °F: 24 Hour is 4,700 psi

c. Production Casing Cement:

- Drill 7-7/8" hole to 7,500'±, run and cement 5 1/2".
- Cement interface is at 4,000', which is typically 500'-1,000' above shallowest pay.
- Pump 20 bbl Mud Clean II unweighted spacer, followed by 20 Bbls fresh H20 spacer.
- Displace with 3% KCL.

| | | | | | Hole | Cement | |
|-------------|---------|-----------------|----------------|--------------|---------------|---------------|---------------|
| <u>Type</u> | Sacks 5 | <u>Interval</u> | Density | <u>Yield</u> | <u>Volume</u> | <u>Volume</u> | Excess |
| Lead | 160 | 3,700'-4,700' | 11.5 ppg | 3.12 CFS | 175 CF | 350 CF | 100% |
| Tail | 435 | 4,700'~7,500' | 13.0 ppg | 1.75 CFS | 473 CF | 946 CF | 100% |

Note: Caliper will be run to determine exact cement volume.

Lead Mix:

Halliburton Prem Plus V blend. Blend includes Class "C" cement, gel, salt, gilsonite, EX-1 and HR-7.

Slurry vield:

3.12 cf/sack

Slurry weight:

11.60 #/gal.

Water requirement:

17.71 gal/sack

Compressives @ 130°F: 157 psi after 24 hours

Tail Mix:

Halliburton HLC blend (Prem Plus V/JB flyash). Blend includes Class "G" cement, KCl, EX-1, Halad 322,

& HR-5.

Slurry vield:

1.75 cf/sack

Slurry weight:

13.00 #/gal.

Water requirement:

9.09 gal/sack Compressives @ 165°F: 905 psi after 24 hours

13. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS

Starting Date:

October 1, 2003

Duration:

14 Days

SURFACE USE PLAN

CONDITIONS OF APPROVAL

Attachment for Permit to Drill

Name of Operator:

Dominion Exploration & Production

Address:

14000 Quail Springs Parkway, Suite 600

Oklahoma City, OK 73134

Well Location:

RBU 1-9E

875' FNL & 870' FEL Section 9-10S-19E

Uintah County, UT

The dirt contractor will be provided with an approved copy of the surface use plan of operations before initiating construction.

The onsite inspection for the referenced well was conducted on Tuesday, April 22, 2003 at approximately 11:30am. In attendance at the onsite inspection were the following individuals:

Gary Dye Company Representative Dominion Exploration & Production, Inc. Stephanie Howard **Environmental Scientist** Bureau of Land Management Dixie Sadler Wildlife Biologist Bureau of Land Management Robert Kay Registered Land Surveyor Uintah Engineering and Land Surveying Colby Kay Crew Chief / PLS Uintah Engineering and Land Surveying **Brent Stubbs** Owner / Operator Stubbs & Stubbs Oil Field Construction Lonnie Hogan Owner / Operator LaRose Construction Don Hamilton Permitting Agent Buys & Associates, Inc.

1. <u>Existing Roads</u>:

- a. The proposed well site is located approximately 10.25 miles southwest of Ouray, UT.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance is necessary to access the River Bend Unit. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- d. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County or BLM access roads no topsoil striping will occur.
- g. An off-lease federal Right-of-Way is not anticipated for the access road or utility corridor since both are located within the existing federal unit boundary.

2. Planned Access Roads:

- a. From the existing gravel surfaced, Dominion maintained road an access is proposed trending southwest then northwest approximately 0.6 miles to the proposed well site. The access consists of entirely new disturbance and crosses two dry drainages. A road design plan is not anticipated at this time.
- b. The proposed access road will consist of a 14' travel surface within a 30' disturbed area. A pipeline corridor will be established along the south and west side of the road within the proposed 30' disturbed area.
- c. Proposed access will utilize entirely federal lands in which a right-of-way is not anticipated at this time. Approval to construct and utilize the proposed access road is requested with this application.
- d. A maximum grade of 10% will be maintained throughout the project with no major cuts and fills required.
- e. No turnouts are proposed since the access road is only 0.6 miles long and good site distance exists in all directions.
- f. One 18" culvert in the southern most drainage and one 12" culvert in the northern most drainage combined with low-water crossings are anticipated at this time. Adequate drainage structures will be incorporated into the remainder of road.
- g. No surfacing material will come from federal or Indian lands.
- h. No gates or cattle guards are anticipated at this time.
- Surface disturbance and vehicular travel will be limited to the approved location access road.
- j. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: <u>Surface Operating Standards</u> for Oil and Gas Exploration and Development, (1989).
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

3. Location of Existing Wells:

a. Following is a list of existing wells within a one mile radius of the proposed well:

i. Water wells None
ii. Injection wells None
iii. Disposal wells None
iv. Drilling wells None
v. Temp. shut-in wells None
vi. Producing wells 14
vii. Abandon wells 1

b. Exhibit B is a map reflecting these wells within a one mile radius of the proposed well.

4. <u>Location of Production Facilities:</u>

- All permanent structures will be painted a flat, non-reflective Desert Brown to match the standard environmental colors. All facilities will be painted within six months of installation.
 Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- b. Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A gas pipeline is associated with this application and is being applied for at this time. The proposed gas pipeline corridor will follow along the south and west side of the proposed road to the existing RBU 9-9E well site.
- i. The gas pipeline will be a 4" steel surface line within a 20' wide utility corridor. The use of existing roads along the pipeline will facilitate the staging of the pipeline construction. A pipeline length of 0.6 miles is associated with this well.
- j. Dominion intends on installing the pipeline on the surface by welding many joints into long lengths, dragging the long lengths into position and then completing a final welding pass to join the long lengths together. Dominion intends on connecting the pipeline together utilizing conventional welding technology.

5. <u>Location and Type of Water Supply:</u>

a. The location and type of water supply has been addressed as number 11 within the previous drilling plan information.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from BLM.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. <u>Methods of Handling Waste Disposal</u>:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located outboard of the location and along the southwest side of the pad.
- The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be lined with 12 mil minimum thickness plastic nylon reinforced liner material overlaying a felt liner pad. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.

- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved Dominion disposal well for disposal.
- k. After first production, produced wastewater will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, an application for approval of a permanent disposal method and location will be applied for in accordance with Onshore Order #7.
- 1. Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the south.
- c. The pad and road designs are consistent with BLM specification
- d. A pre-construction meeting with a responsible company representative, contractors, and the BLM will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be construction-staked prior to this meeting.
- e. The pad has been staked at its maximum size of 355' X 200', however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters form entering the well site area.
- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.

- k. Pits will remain fenced until site cleanup.
- 1. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface:

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- c. The cut and fill slopes and all other disturbed areas not needed for the production operation will be top soiled and re-vegetated. The stockpiled topsoil will be evenly distributed over the disturbed area.
- d. Prior to reseeding the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix is as follows:

Shads Scale 5 pounds per acre Galleta Grass 4 pounds per acre Crested Wheat Grass 3 pounds per acre

11. Surface and Mineral Ownership:

a. Both Surface and Mineral Ownership is Federal under the management of the Bureau of Land Management – Vernal Field Office, 170 South 500 East, Vernal, Utah 84078; 435-781-4400.

12. Other Information:

- a. AIA Archaeological will conduct a Class III archeological survey. A copy of the pending report will being submitted under separate cover to the appropriate agencies by AIA Archaeological.
- b. Our understanding of the results of the onsite inspection are:
 - a. No Threatened and Endangered flora and fauna species were found during the onsite inspection.
 - b. No significant nesting raptors species are anticipated in the area since suitable nesting habitat does not exist.
 - c. No drainage crossings that require additional State or Federal approval are being crossed

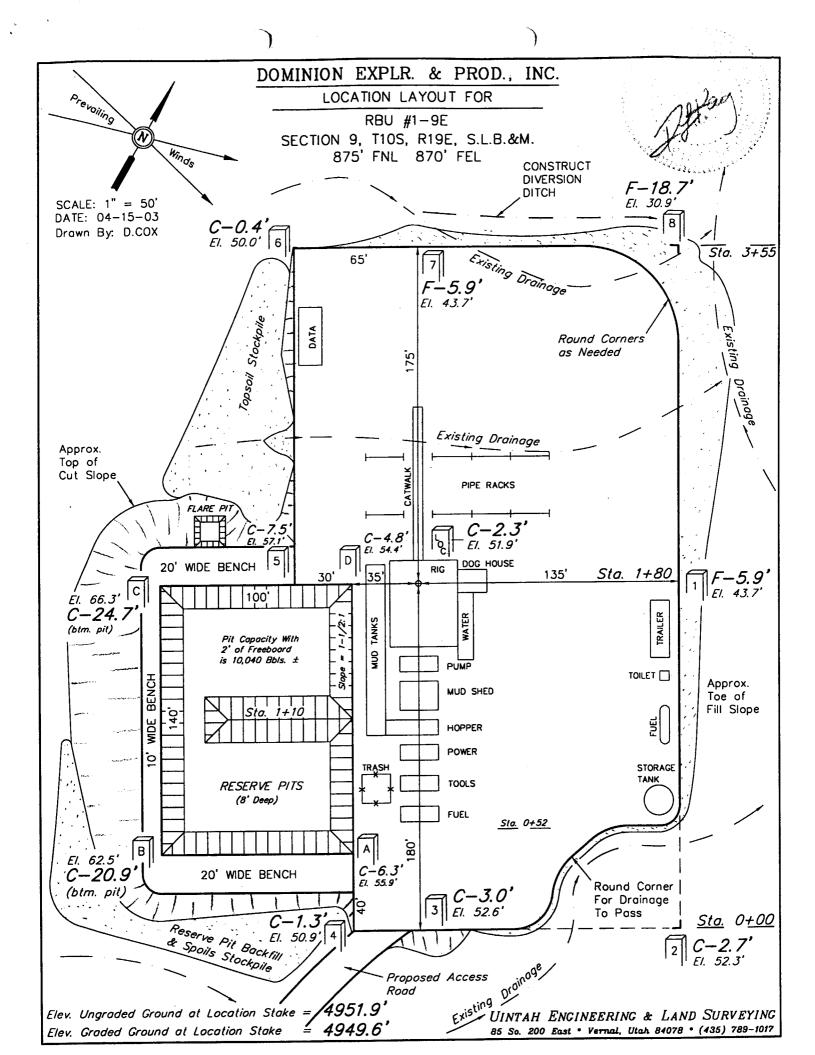
13. Operator's Representative and Certification

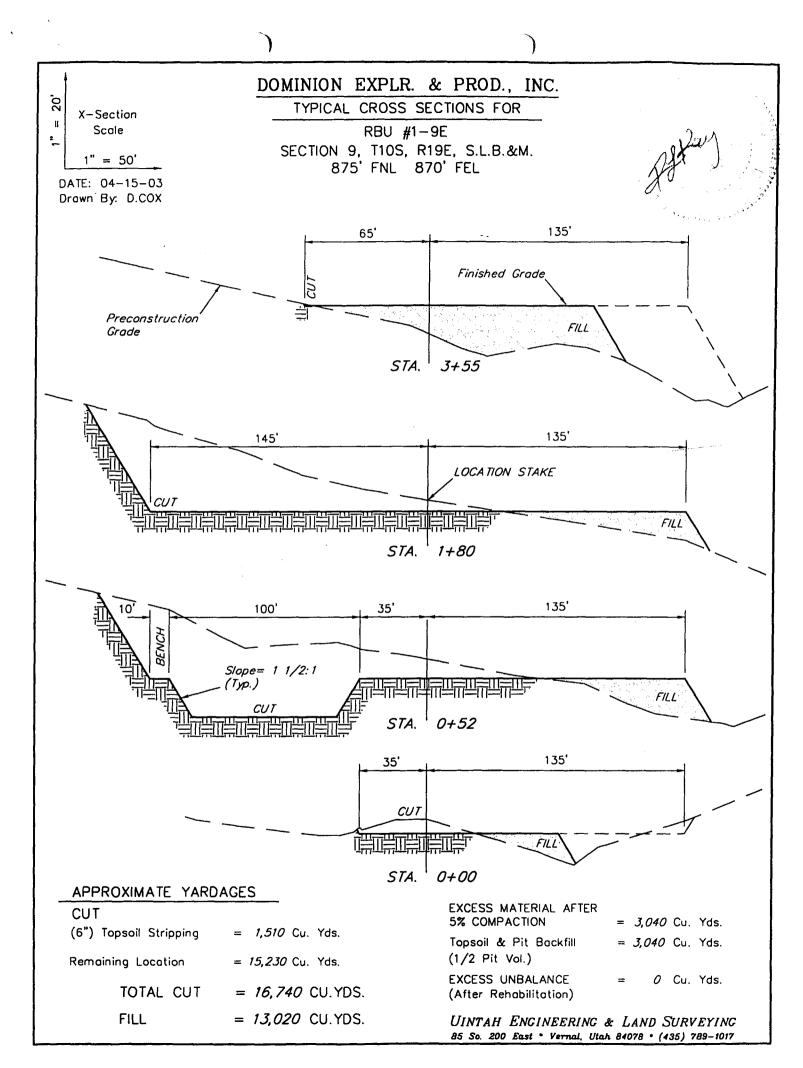
| Title | Name | Office Phone |
|---------------------------------|---------------------|----------------|
| Company Representative (Rooseve | elt) Mitchiel Hall | 1-435-722-4521 |
| Company Representative (Oklahor | ma) Carla Christian | 1-405-749-5263 |
| Agent for Dominion | Don Hamilton | 1-435-637-4075 |

Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exists; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Dominion Exploration & Production, Inc. and its contractors and subcontractors in conformity with this APD package and the terms and conditions under which it is approved. I also certify responsibility for the operations conducted on that portion of the leased lands associated with this application, with bond coverage being provided under Dominion's BLM bond. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Signature: Don Hamilton Date: 5-1-03





DOMINION EXPLR. & PROD., INC.

LOCATED IN UINTAH COUNTY, UTAH SECTION 9, T108, R19E, S.L.B.&M.

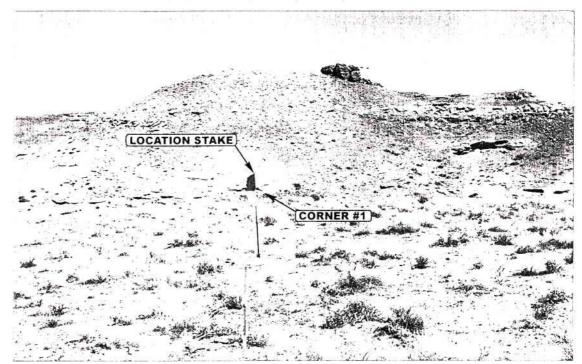


PHOTO: VIEW FROM LOCATION STAKE TO CORNER #1

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

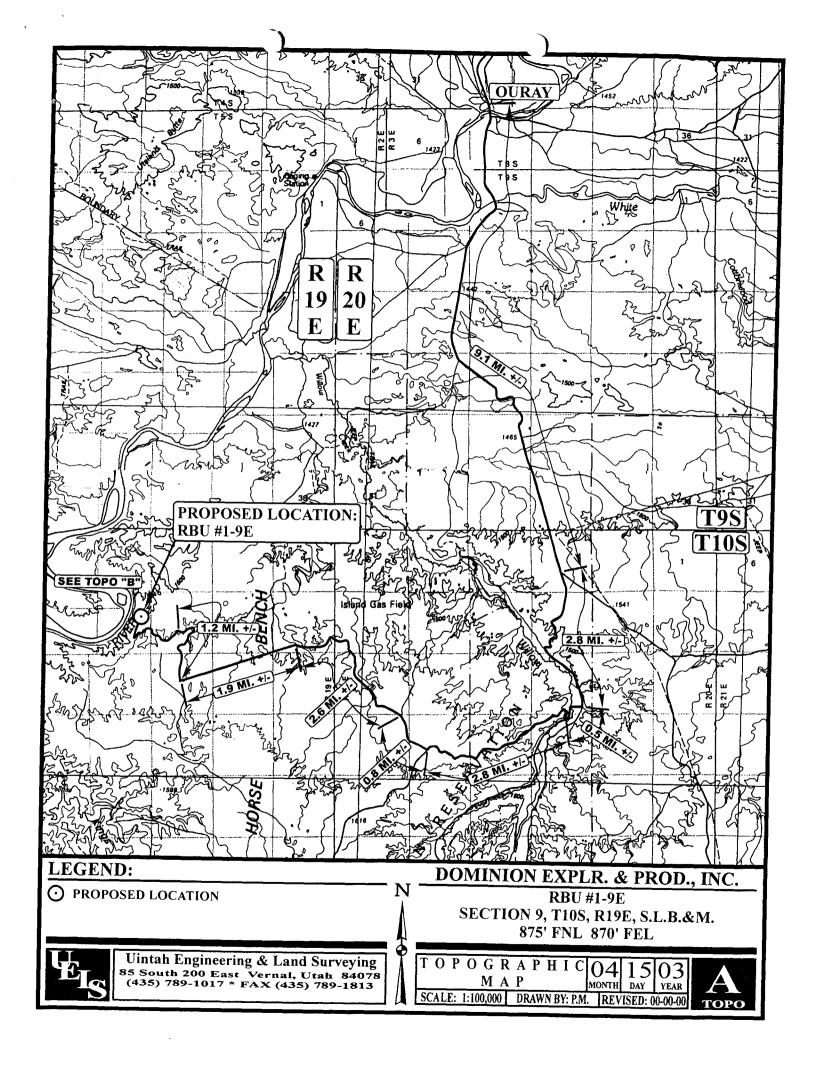
CAMERA ANGLE: SOUTHWESTERLY

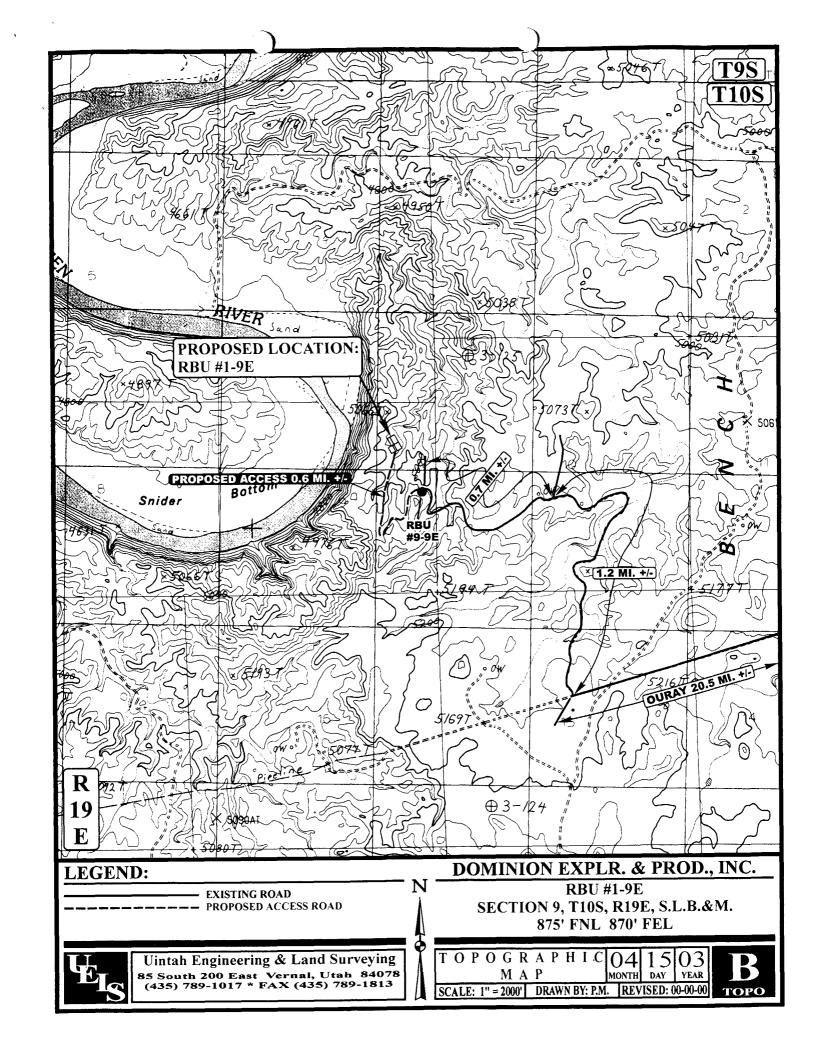


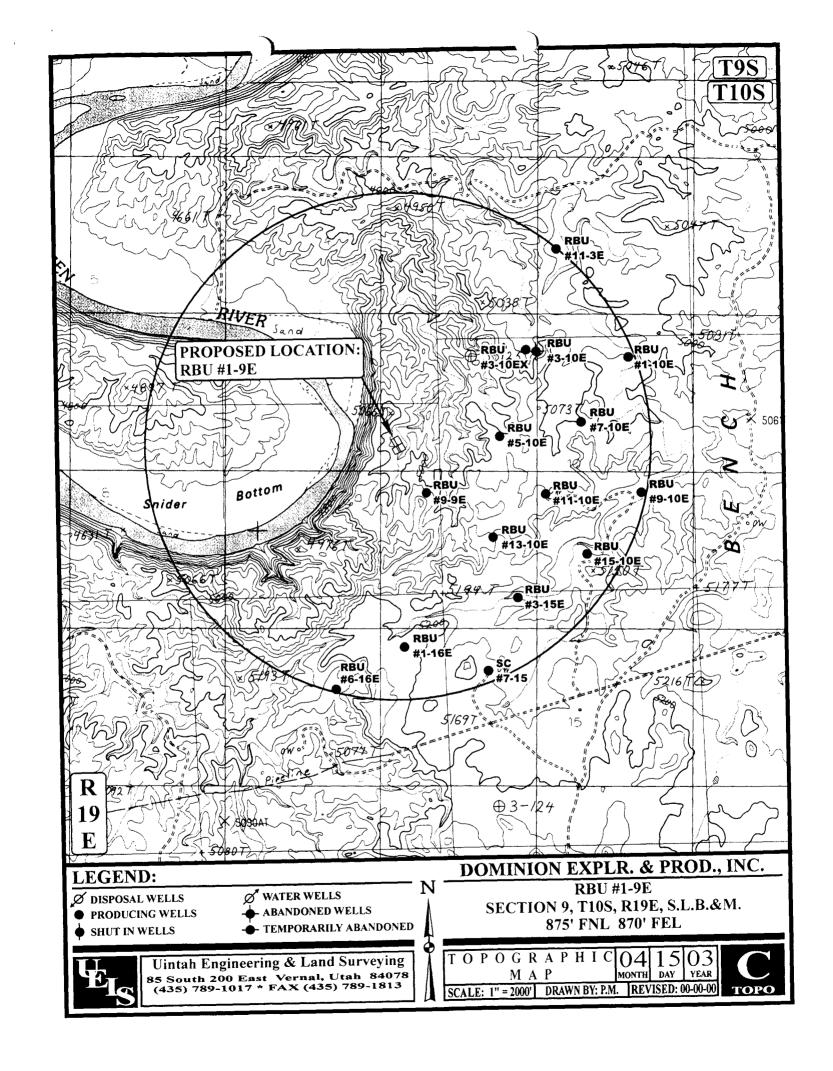
Uintah Engineering & Land Surveying

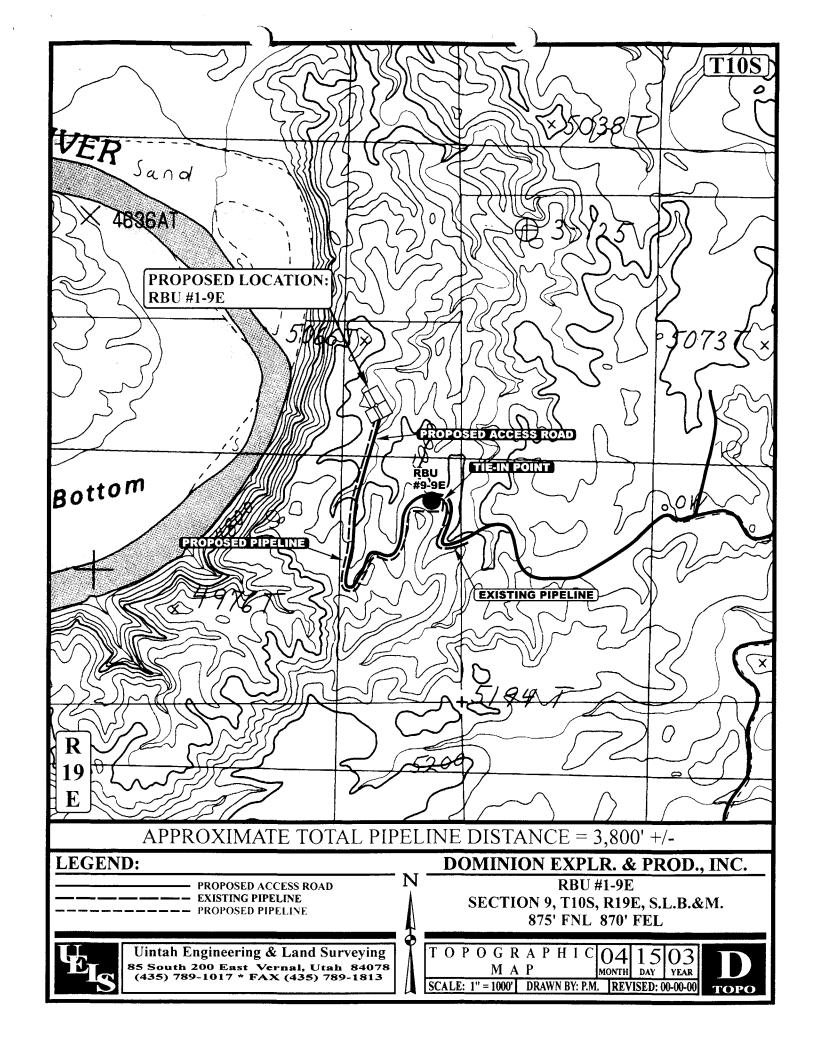
85 South 200 East Vernal, Utah 84078
435-789-1017 uels a uelsinc.com

| | 7 | | | | РНОТ |
|----------------|-------------|----------|-------|----------|------|
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| TAKEN BY: K.K. | DRAWN BY: I | P.M. REV | ISED: | 00-00-00 | |







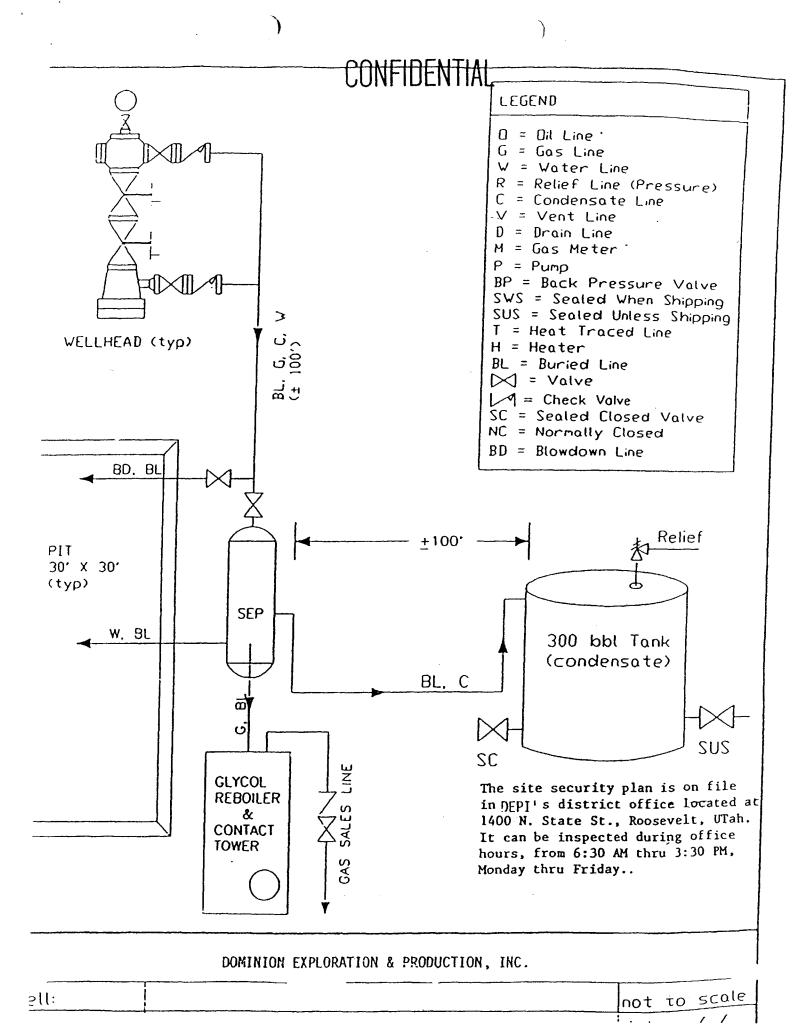


DOMINION EXPLR. & PROD., INC. RBU #1-9E

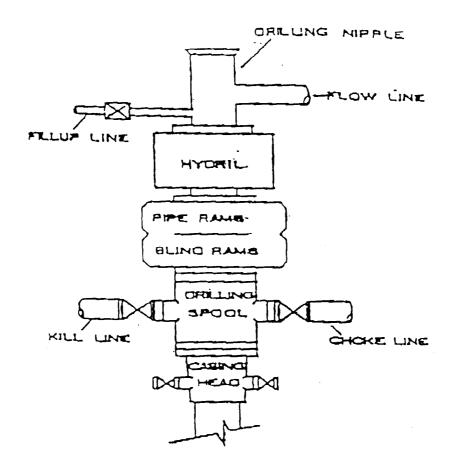
SECTION 9, T10S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST: TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; PROCEED IN A NORTHWESTERLY. THEN WESTERLY DIRECTION APPROXIMATELY 2.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMIATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH: TURN RIGHT AND PROCEED IN A NORTHERLY, THEN WESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST: PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE RBU #9-9E AND THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE PROPOSED LOCATION.

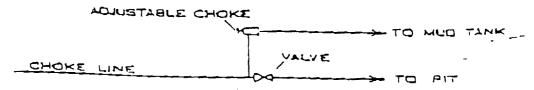
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.0 MILES.



BOF STACK

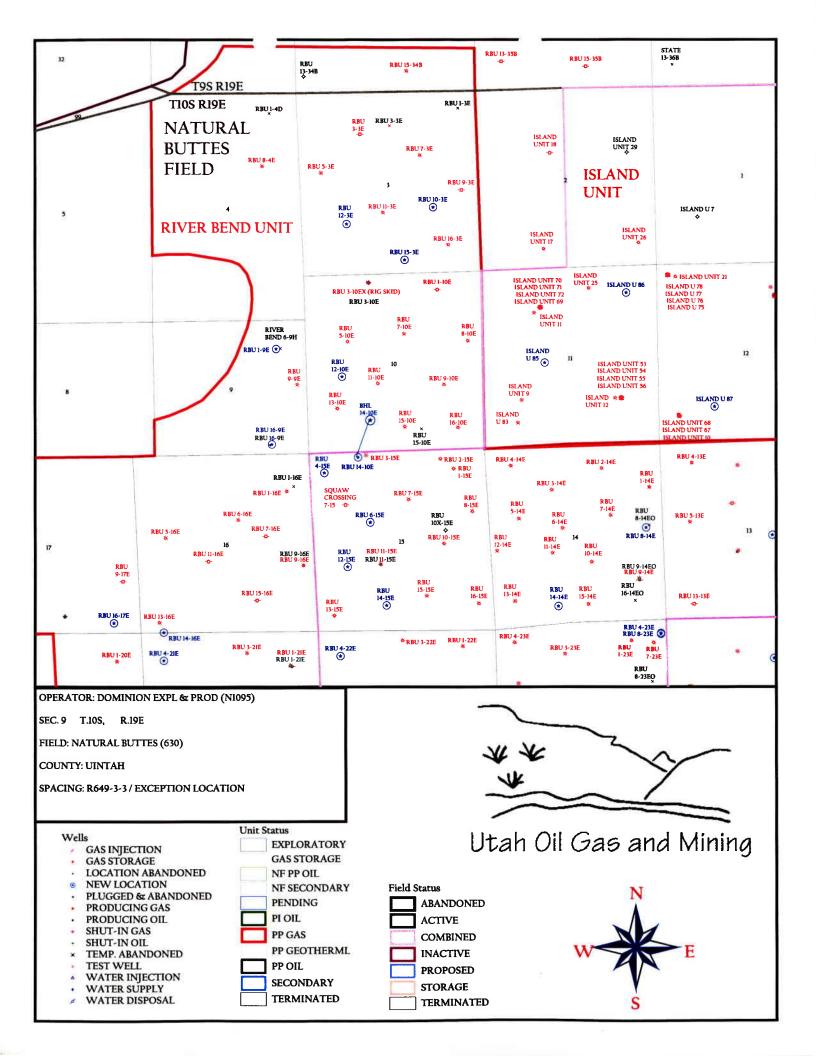


CHOKE MANIFOLD



WORKSHEET APPLICATION FOR PERMIT TO DRILL

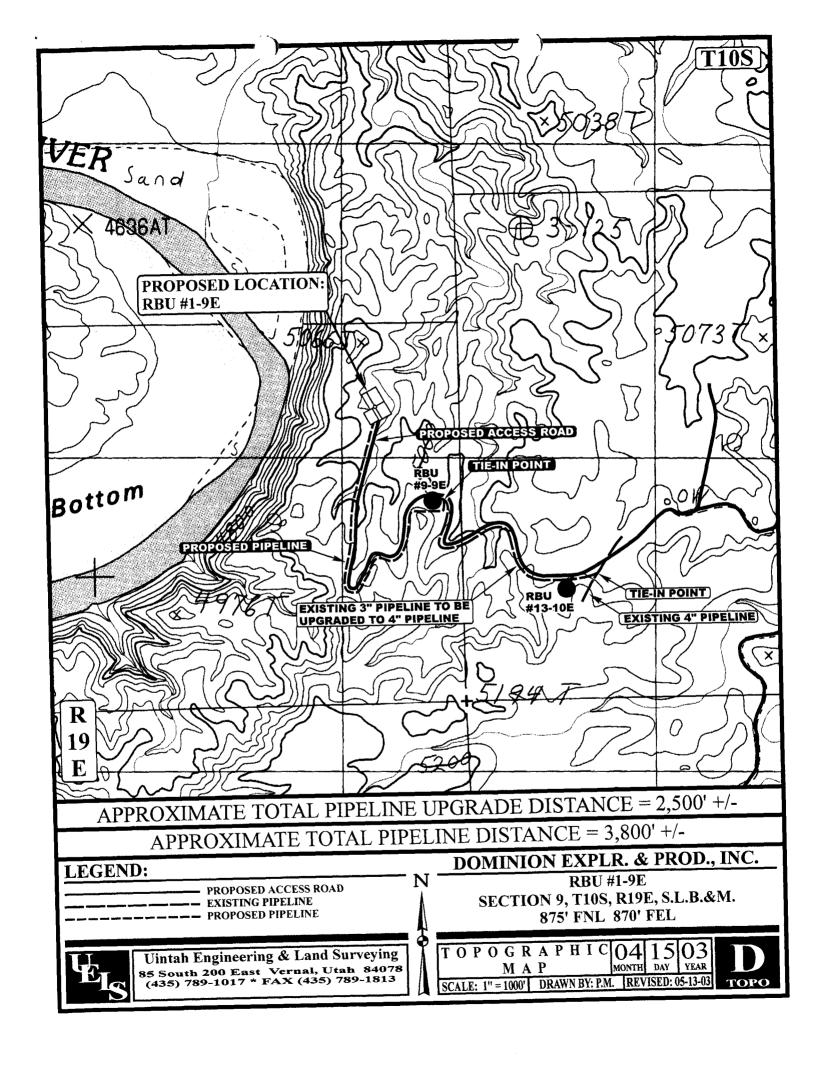
| APD RECEIVED: 05/23/2003 | API NO. ASSIGNED: 43-047-34972 |
|--|---|
| WELL NAME: RBU 1-9E OPERATOR: DOMINION EXPL & PROD (N1095) CONTACT: DON HAMILTON | PHONE NUMBER: 435-687-5310 |
| PROPOSED LOCATION: NENE 09 100S 190E SURFACE: 0875 FNL 0870 FEL BOTTOM: 0875 FNL 0870 FEL UINTAH NATURAL BUTTES (630) LEASE TYPE: 1 - Federal LEASE NUMBER: U-03505 SURFACE OWNER: 1 - Federal PROPOSED FORMATION: WSTC | INSPECT LOCATN BY: / / Tech Review Initials Date Engineering Geology Surface LATITUDE: 39.96289 LONGITUDE: 109.78127 |
| Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. 76S630500330) N Potash (Y/N) N Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-10447) N RDCC Review (Y/N) (Date:) NA Fee Surf Agreement (Y/N) | LOCATION AND SITING: R649-2-3. Unit RIVER BEND R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No: Eff Date: Siting: R649-3-11. Directional Drill |
| stipulations: 1- Federal approved 2 Spanning | |

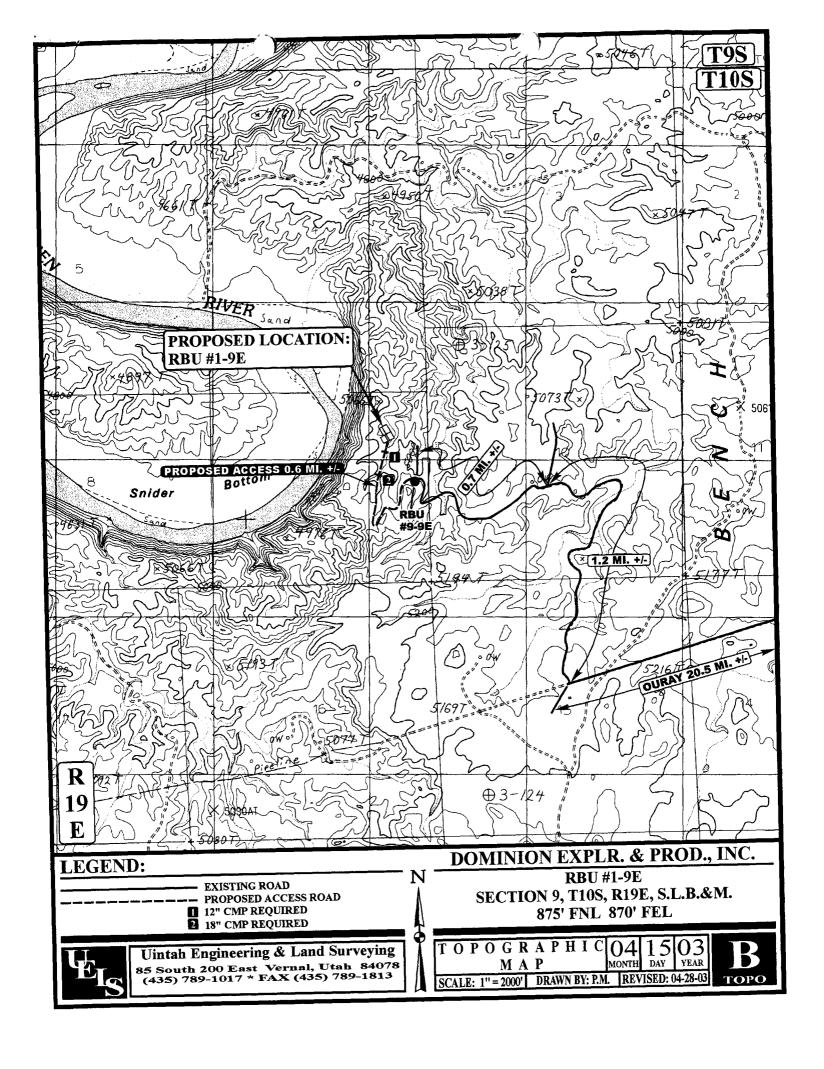


| (June 1990) DEPARTME | DF THE INTERIOR AND MANAGEMENT |) | Budget Bureau No. 1004-0135 Expires: March 31, 1993 | | |
|--|---|--|---|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | | Lease Designation and Serial No. U-03505 | | |
| Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT" for such proposals | | | If Indian, Allottee or Tribe Name N/A | | |
| SUBMIT | 7. | If Unit or CA, Agreement Designation River Bend Unit | | | |
| 1. Type of Well | | 8. | Well Name and No. RBU 1-9E | | |
| Name of Operator Dominion Exploration & Production | , Inc. | 9. | API Well No. | | |
| Address and Telephone No. 14000 Quail Springs Parkway, Suite | 600, Oklahoma City, OK 73134, 405-74 | 49-6690 | O. Field and Pool, or Exploratory Area Natural Buttes | | |
| 4. Location of Well (Footage, Sec., T., R., M., or Surv 875' FNL, 870' FEL NE/4 NE | 1 | 1. County or Parish, State Uintah, Utah | | | |
| 12. CHECK APPROPRIATE BOX(s) | TO INDICATE NATURE OF NOTICE | E, REPORT | , OR OTHER DATA | | |
| TYPE OF SUBMISSION | Т | PE OF ACTIO | N . | | |
| Notice of Intent Subsequent Report Final Abandonment Notice 13. Describe Proposed or Completed Operations (Clearly directionally drilled, give subsurface locations and meas | | Nev Not Not Cor Dis | | | |
| to upgrade the existing a referenced in the APD t Attached please find an | nd Production, Inc. requests pernols" steel surface line to a 4" steel substitute the existing 4" trunk line near the updated Topo D that reflects the reflects the location of the culverties. | urface line he existing pipeline ro | e from the proposed tie-in point g RBU 13-10E. oute proposed for upgrade and | | |
| 14. I hereby certify that the foregoing is true and correct Signed Don Hamilton Title | | May | 19, 2003 | | |
| (This space for Federal or State office use) | e Agent for Dominion Date | iviay | RECEIVED | | |
| Approved by Title Total Conditions of approval, if any: | Date | | MAY 2 3 2003 | | |
| Constitution of approxim, it airy. | | | DIV. OF OIL, GAS & MINING | | |

FORM APPROVED

UNFTD STATES





United States Department of the Interior

BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

May 28, 2003

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject: 2003 Plan of Development River Bend Unit,

Uintah County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2003 within the River Bend Unit, Uintah County, Utah.

| Api Number | Well | | Location | |
|--|--|--|--|--|
| (Proposed PZ | Wasatch) | | | |
| 43-047-34969 43-047-34970 43-047-34971 43-047-34972 43-047-34973 43-047-34974 43-047-34975 | RBU 10-3E RBU 12-3E RBU 15-3E RBU 1-9E RBU 16-9E RBU 12-10E RBU 14-10E BHL: | Sec. 3 T10S Sec. 3 T10S Sec. 3 T10S Sec. 9 T10S Sec. 9 T10S Sec. 10 T10S Sec. 15 T10S Sec. 10 | R19E 1560 FSL R19E 0343 FSL R19E 0875 FNL R19E 0281 FSL R19E 2300 FSL | 1284 FWL 2312 FEL 0870 FEL 1114 FEL 1000 FWL 1471 FWL |
| 43-047-34976 43-047-34977 43-047-34978 43-047-34979 43-047-34980 43-047-34981 43-047-34982 43-047-34983 | RBU 16-13E RBU 8-14E RBU 6-15E RBU 12-15E RBU 14-15E RBU 16-17E RBU 8-21E RBU 4-22E | Sec. 13 T10S Sec. 14 T10S Sec. 15 T10S Sec. 15 T10S Sec. 15 T10S Sec. 17 T10S Sec. 21 T10S Sec. 22 T10S | R19E 2563 FNL R19E 2065 FNL R19E 1930 FSL R19E 0780 FSL R19E 0302 FSL R19E 2021 FNL | . 0396 FEL . 1842 FWL . 0877 FWL . 2051 FWL . 0813 FEL . 0769 FEL |

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - River Bend Unit

Division of Oil Gas and Mining

Agr. Sec. Chron Fluid Chron

MCoulthard:mc:5-28-3



Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director

1594 West North Temple, Suite 1210 PO Box 145801 -Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

May 28, 2003

Dominion Exploration & Production, Inc. 14000 Quail Springs Parkway, Suite 600 Oklahoma City, OK 73134

Re: River Bend Unit 1-9E Well, 875' FNL, 870' FEL, NE NE, Sec. 9, T. 10 South, R. 19 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34972.

Sincerely,

ohn R. Baza

Associate Director

pab Enclosures

Uintah County Assessor cc:

Bureau of Land Management, Vernal District Office



| Operator: | Dominion Exploration & Production, Inc. | | | |
|------------------------|---|-------------|------------|--|
| Well Name & Number | River Bend Unit 1-9E | | | |
| API Number: | 43-047-34972 | | | |
| Lease: | U-03505 | | | |
| Location: <u>NE NE</u> | Sec. 9 | T. 10 South | R. 19 East | |

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



Stane of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY

August 29, 2003

Don Hamilton Dominion Expl & Prod Inc. P.O. Box 1230 Huntington, UT 84528

www.nr.utah.gov

Re: APD Rescinded – RBU 1-9E, Sec. 9, T. 10S, R. 19E - Uintah County, Utah

API No. 43-047-34972

Dear Mr. Hamilton:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 28, 2003. On August 28, 2003, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 28, 2003.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Engineering Technician

cc:

Well File

Bureau of Land Management, Vernal

